

Boise State University

**NCAA Agreed-Upon Procedures Report
for the Year Ended June 30, 2005**

**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Dr. Bob Kustra
President
Boise State University
Boise, Idaho

Idaho State Board of Education
Boise, Idaho

We have performed the procedures enumerated below, which were agreed to by the Idaho State Board of Education, solely to assist Boise State University (the "University") Intercollegiate Athletics Department (the "Department") in complying with the NCAA Bylaw 6.2.3.1. for the year ended June 30, 2005. The University is responsible for the Schedule of Revenues and Expenditures (the "Schedule") and the Schedule's compliance with Bylaw 6.2.3.1. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the management of the University. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and our findings are as follows:

Internal Control: Policies and Procedures Related to Department – Agreed Upon Procedures

1. We selected a random sample of four team travel expense reimbursement forms, from four different sports, that included team per diem meal reimbursements. We inspected the reimbursement forms to determine if financial management is monitoring expenses for compliance with established allowable expense guidelines. For the sample we selected, we found that financial management is monitoring expenses for compliance with established allowable expense guidelines. No exceptions were identified.
2. We selected a random sample of two travel card statements from the department. We inspected the travel card statements to determine if financial management is monitoring expenses for compliance with established allowable expense guidelines. No exceptions were identified.

External Organizations – Agreed Upon Procedures

1. We obtained a listing from management of outside organizations that made contributions directly to the Department.

2. We confirmed with the sole outside organization, Bronco Athletic Association (Association) the total contributions made to the Department for the year ended June 30, 2005, and compared these to revenues recorded by the Department in the general ledger. We noted that the contributions reported by the Association agreed to amounts recorded by the Department.
3. We obtained and read the audited financial Schedules for the Association for the year ended June 30, 2005. In addition, we inquired of officials at the Association and noted that they were not aware of any reports regarding matters related to internal control.
4. We confirmed the amount of expenditures paid by the Association on behalf of the Department and compared the amounts to the revenues recorded by the Department, noting no differences.

In addition, we noted that the Department received trade-out and in-kind contributions in the amount of \$40,500. This amount was estimated by management based on amounts recognized by the Association as contributions. The payments made directly by the Association for the benefit of the Department and the trade-out and in-kind contributions have been recorded in the Schedule.

Capital Assets, Additions and Improvements of Facilities

1. We obtained a listing of total intercollegiate athletics capitalized assets, additions and improvements of facilities summarized by type. We agreed the listing to the institution's general ledger and the Schedule noting no differences.
2. We obtained the institution's policies and procedures for acquiring, approving, depreciating and disposing of intercollegiate athletics-related assets and agreed to the notes to the Schedule.
3. We selected significant capitalized additions made by the institution during the reporting period (greater than 10% of total capital additions) and agreed the recorded cost of each selection to supporting documentation noting no differences.

Schedule of Revenues and Expenditures – Agreed Upon Procedures

1. We obtained the Schedule prepared by management for the year ended June 30, 2005, which is attached to this report. We proved the arithmetical accuracy of the Schedule and compared the amounts in the Schedule to applicable accounts in the Department's general ledger and found them to be in agreement.
2. We compared revenues and expenditures in the Schedule for the year ended June 30, 2005 to revenues and expenditures in the Schedule for the year ended June 30, 2004 and discussed the differences with the Department's management. We obtained explanations for all variances between current year and prior year revenues and expenditures in excess of \$100,000.
3. We compared revenues and expenditures in the Schedule to budgeted amounts for the year ended June 30, 2005. We obtained explanations for all variances between budget and actual revenues and expenditures in excess of \$100,000.

Minimum procedures for Revenues and Expenditures

1. We compared and agreed each operating revenue category reported in the Schedule during the reporting period to supporting schedules provided by the institution and found them to be in agreement.
2. We selected a random sample of 5 athletic operating revenue receipts. We compared and agreed the sample items to supporting documentation and found them to be in agreement.
3. We compared the value of tickets sold during the reporting period, complimentary tickets provided during the reporting period, and unsold tickets, to the related revenue reported by the institution in the Schedule and the related attendance figures. No exceptions were noted.
4. We recalculated totals for tickets sold during the reporting period presented in the Schedule without exception.
5. We compared direct institutional support for athletics recorded by the institution during the reporting period with state appropriations, institutional authorizations and/or other corroborative supporting documentation. No exceptions were noted.
6. We recalculated direct state or other governmental support totals presented in the Schedule without exception.
7. We compared and agreed broadcast, television, radio, and internet rights revenues to the institution's general ledger, and the Schedule without exception.
8. We recalculated broadcast, television, radio, and internet rights revenues presented in the Schedule without exception.
9. We obtained a listing of sports camp participants and randomly selected 5 individual camp participant cash receipts. We agreed each selection to the institution's general ledger and found them to be in agreement.
10. We recalculated sports-camp revenue totals presented in the Schedule without exception.
11. We compared and agreed each operating expense category reported in the Schedule during the reporting period to supporting documentation provided by the institution and found them to be in agreement.
12. We selected a random sample of 5 athletic operating expense receipts. We compared and agreed the sample to supporting documentation and found them to be in agreement.
13. We recalculated totals for each major expense account reported in the Schedule without exception.
14. We selected a random sample of 5 student athletes from the listing of institutional student aid recipients during the reporting period. We obtained individual student-account detail for each selection and compared total aid allocated from the related aid award letter to the student and found them to be in agreement.
15. We recalculated totals for athletic student aid presented in the Schedule without exception.

16. We selected a random sample of 5 athletic support staff/administrative personnel employed by the institution and related parties during the reporting period. We compared and agreed related W-2s', 1099s', etc. to the related support staff/administrative salaries, benefits and bonuses paid by the institution and recorded as an expense by the institution in the Schedule during the reporting period without exception.
17. We recalculated support staff/administrative salaries, benefits and bonuses paid by the institution and related entities reported in the Schedule without exception.
18. We selected a random sample of 5 game-related expenses and agreed each expense to supporting documentation and found them to be in agreement.
19. We recalculated totals for game expenses reported in the Schedule without exception.
20. We selected a random sample of 5 direct facilities, maintenance and rental expenses and agreed them to supporting documentation without exception.
21. We recalculated totals for direct facilities, maintenance and rental expenses reported in the Schedule without exception.

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the presentation and compliance of the accompanying Schedule of Revenues and Expenditures of Boise State University. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of the University, the Idaho State Board of Education, and authorized representatives of the NCAA and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Moss Adams LLP". The signature is written in a cursive, flowing style.

Eugene, Oregon
September 30, 2005

BOISE STATE UNIVERSITY

INTERCOLLEGIATE ATHLETICS DEPARTMENT SCHEDULE OF REVENUES AND EXPENDITURES YEAR ENDED JUNE 30, 2005 (UNAUDITED)

	Football	Men's Basketball	Other Men's Sports	Women's Basketball	Volleyball	Women's Sports	Non-Program Specific	Totals
REVENUES:								
Ticket Sales	\$ 2,933,633	\$ 609,253	\$ 2,426	\$ 13,801	\$ 2,729	\$ 4,953	\$ 1,948	\$ 3,568,743
Tourn/Bowl/Conf Receipts	787,344	290,975	205,394	51,349	51,349	325,207	-	1,711,618
Media/Broadcast Receipts	731	183	-	-	-	-	-	914
Concessions/Programs/Parking/Advertising	1,350,706	280,513	1,117	6,354	1,256	2,280	897	1,643,124
Game Guarantees	-	-	-	-	-	-	-	-
Foundation/Club/Private Donations	163,265	61,364	47,389	3,093	7,216	106,351	1,533,219	1,921,897
Student Fees	-	-	-	-	-	-	2,390,045	2,390,045
Appropriated Funds	483,853	150,772	55,910	251,463	92,015	384,089	557,816	1,975,918
Other	63,536	47	4,816	604	(100)	774	1,108,417	1,178,094
Institutional Support	-	-	-	-	-	-	586,672	586,672
Total revenues	5,783,088	1,393,107	317,052	326,664	154,465	823,654	6,179,014	14,977,025
EXPENDITURES:								
Coaches Salaries & Bonuses	1,169,311	348,400	302,219	199,168	124,403	445,771	27,379	2,616,651
Other Salaries and Wages	-	-	-	-	-	-	2,259,376	2,259,376
Fringe Benefits	298,565	94,508	97,831	59,015	39,674	137,840	765,893	1,493,326
Scholarships/grants in aid	878,862	125,395	246,318	159,663	118,524	512,217	285,457	2,326,436
Game Guarantees	325,000	115,000	-	1,100	3,363	2,363	-	446,826
Medical Insurance/Medical Fees	11,514	2,774	631	650	308	1,640	12,302	29,819
Travel-team & Coaches	280,809	115,868	167,049	93,509	80,021	255,828	2,153	995,237
Travel-Recruiting	104,060	52,151	14,297	45,817	18,287	34,949	33,530	303,091
Supplies, Equipment and Services	374,097	71,423	51,021	30,404	25,200	151,906	1,653,834	2,357,885
Away Tickets	103,075	7,833	10,320	7,833	600	252	37,800	167,713
Facility Charges	516,593	107,278	440	2,451	503	880	888,608	1,516,753
Other Operating	83,548	99,548	4,825	-	-	-	215,376	403,297
Capital Improvements	-	-	-	-	-	-	-	-
Total expenditures	4,145,434	1,140,178	894,951	599,610	410,882	1,543,646	6,181,709	14,916,410
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ 1,637,634	\$ 252,929	\$ (577,899)	\$ (272,946)	\$ (256,417)	\$ (719,991)	\$ (2,695)	\$ 60,615
NONRESIDENT FEE WAIVERS	\$ 363,376	\$ 77,616	\$ 168,282	\$ 59,968	\$ 54,680	\$ 253,158	\$ 213,440	\$ 1,190,520

BOISE STATE UNIVERSITY

**INTERCOLLEGIATE ATHLETICS DEPARTMENT
NOTES TO THE SCHEDULE OF REVENUES AND EXPENDITURES
YEAR ENDED JUNE 30, 2005 (UNAUDITED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying Schedule of Revenues and Expenditures has been prepared using the accrual method of accounting.

2. AFFILIATED ORGANIZATIONS

The University has one booster organization established on behalf of intercollegiate athletics. The sole purpose and activity of the Bronco Athletic Association (BAA) is generating monies, goods and services in support of the University Intercollegiate Athletics Department. The BAA receives its contributions from individuals and businesses through a variety of fund-raising activities including membership dues, auctions, golf outings, etc. For the year ended June 30, 2005, the BAA contributed \$2,183,808 to the University's intercollegiate athletics program. In addition, the BAA paid \$35,303 on behalf of the athletic department.

3. STUDENT FEES

A portion of the fees paid by students is designated for athletics in accordance with the fee schedule approved by the State Board of Education. The University does not allocate the fees to individual sports. Accordingly, they are recorded under non-program-specific revenues in the accompanying schedule of revenues and expenditures.